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SIPDIS

PM/DTCC: JOUBERT-LIN

E.O. 12958: N/A
TAGS: [ETTC](#) [IT](#) [KOMC](#)
SUBJECT: BLUE LANTERN BROKER INQUIRY: CASE NO. K-2180
REF: SECSTATE 099480

¶1. Summary: Subject company, GATE & C. s.r.l. (GATE) appears to be a bona fide sales representative of Northrup Grumman Electronic Systems International, Inc. (NGESI). Company management seems to be familiar with restrictions on the re-export of U.S. Munitions List materials. End Summary.

¶2. On 27 October Econoff met with the principals of GATE, Bruno Imbornone and Andrea Franzosi, to confirm the company's bona fides in its capacity as a broker of United States Munitions List (USML) materials. The meeting took place in the Economic section of Embassy Rome because GATE conducts its business from the private residence of Mr. Imbornone in Rome. NGESI is GATE's only client and doesn't provide enough annual revenue for the company to lease commercial space.

¶3. Imbornone and Franzosi describe their business as a non-exclusive commission sales representative for NGESI and produced their signed contracts from NGESI to substantiate their claim. Their role is to facilitate the sale of specific electronic equipment from NGESI to various branches of the Italian military, most recently the Italian Air Force. This equipment is generally custom-made, built to order for NGESI's individual Italian military customers, shipped directly to those customers and invoiced directly to them. GATE acts as an initial sales agent and local facilitator/representative but does not/not purchase, take delivery, store or re-sell any equipment in the role of a broker.

¶4. GATE was established in 1994 and, at one point, employed six people but now consists of only the two principals. Both men are ex-Italian Naval officers and are using their military contacts to introduce NGESI products into this market.

¶5. Imbornone and Franzosi state that they are aware of the restrictions on the re-sale or re-export of USML materials but stress that NGESI delivers the product directly to the Italian military end user and confirms the end user's eligibility to receive the product prior to ever signing a contract.

THORNE